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Previous References. 1954/ (C.B)

File No. 345-54

Serial Nos. //

Later References.

V

GENERAL AND REVENUE SECRETARIAT

Serial Nos. 611

Part B for March 54.

SUBJECT

Address delivered by His Highness the Rajpramukh of Mysore to the Mysore Legislative Assembly on 5th March 1954.

WD 010861—GPB—25,000—18-9-50

Address delivered by His Highness the Rajpramukh of Mysore to the Mysore Legislative Assembly on 15th March 1951.

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Hon'ble Members of the Legislative Assembly,

I am glad of the opportunity to address you again, as required by the Constitution, at the commencement of another of your Sessions. I should like, at the outset, to touch on one or two topics of general interest which have an intimate bearing on our affairs.

Before doing so, my Government wish to place on record their deep sense of loss caused by the sad demise of two veteran officers connected with the State, namely Shri K.Matthan and Dr.C.R.Reddy. By their death, my Government have been deprived of much valuable advice and assistance, which they were receiving from them.

GENERAL ECONOMIC SITUATION:

It is now common knowledge that at present the world is, economically and politically, out of gear. With almost every country in the world making preparations for war, there seems to be, at the moment, little or no possibility of a fall in prices in the conceivable future. The uncertainties of the international situation are naturally having their reactions on our national economy and generally speaking, world conditions are still too disturbed to allow of any improvement in our own case. Food and cloth, the two primary needs of the people, continue to remain in short supply and price levels are not only unstable but even puzzling. In these circumstances, a great deal - almost every thing - seems to depend upon the success which attains the Government's plans to achieve self-sufficiency as early as possible. This is, therefore, no time for complacency. Renewed and ceaseless efforts are necessary. Increased production is the main remedy for the situation. It is a matter for no small gratification therefore, in

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This Session has been summoned, primarily, to seek your sanction to the annual financial statement which my Government will lay before you.

BUDGET ESTIMATES: The first thing that you will notice will be the change in the pattern of the Budget estimates. New nomenclatures have had to be adopted and a new system of accounting and classification followed to suit the requirements necessitated by Federal Financial Integration. The detailed heads of classification have still to be rationalised and this will be done gradually as it is not desirable to introduce too many changes at one stage.

The estimates will doubtless be subjected to your scrutiny when the Finance Minister presents the Budget before you. But I may say in advance that my Government feel satisfied that the financial position of the State is intrinsically sound and that while not departing from well-recognised principles of public finance, they are at the same time boldly facing difficulties. My Government's policy for economic development is intended first and foremost, to conform in as large a measure as circumstances warrant, to the "Directive Principles of State Policy" contained in the Constitution which "are fundamental in the governance of the country", and I have no doubt that your discussions will be directed to shape my Government's policy accordingly.

FINANCIAL ADJUSTMENTS: As you are aware, the revenue gap fixed at Rs.345 lakhs according to the Scheme of Federal Financial Integration will be made good to us in full for the first five years from 1st April 1950, and there-

thereafter the guaranteed amount would be gradually reduced under a tapering arrangement to 60 per cent of the net revenue gap in the tenth year.

My Government wish to recapitulate on this occasion how the above guarantee would be implemented by the Government of India. Under the arrangements agreed to, the Government of India will pay to my Government their share of divisible incometax (and of all other divisible Federal Taxes such as they may be from time to time) computed in the same manner, on the same basis and in accordance with the same principles as are applicable to the other part 'A' States, and, to the extent the amount payable under this arrangement falls short of the guaranteed amount in any year the Government of India will pay to my Government an amount equal to the short-fall as a special ad hoc Grant-in-aid in that year. On the other hand in any year in which the amount payable under this arrangements does not fall short of the guaranteed amount, my Government will receive the amount due in the shape of their share of the divisible taxes and the guarantee will be inoperative for that year.

Under the Financial Integration Agreement the Government of India's guarantee will be for a period of 10 years but as you are aware, there is a provision in the Constitution for an Enquiry by the Finance Commission who would make their recommendations in this behalf. My Government are carefully examining how the scheme will affect the State's finances in the next few years and what steps are necessary to avoid any sudden disturbance or dislocation of the State's economy.

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I shall now proceed to deal with some aspects of particular departments.

CENSUS.

Census operations have been completed all over the State and my Government are satisfied from reports received by them that the operations have been carried out smoothly and satisfactorily. The results are under tabulation and my Government feel that the figures that may be revealed by the census may have far-reaching effects on their policies in the various fields generally and on their food policy more particularly.

INDIAN ADMINISTRATIVE SERVICES.

The Special Recruitment Board set up by the Ministry of Home Affairs, Government of India, are engaged at the moment in interviewing officers of the Mysore Civil and Police Services for purposes of selection to the I.A.S. & I.P.S. My Government propose to take up the issues arising out of the selections after the results are known and expect to take whatever steps are necessary to safeguard the legitimate rights and interests of the officers of the Mysore Service and to make satisfactory arrangements for the transitional period.

MILITARY.

As you are aware, the Indian State Forces Units were handed over to the Centre on 1st April 1950. The hope that all the personnel would be absorbed into the Indian Army has unfortunately not been fulfilled due to several reasons. The Government of India themselves have embarked upon a scheme of reducing

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the Defence Forces in order to effect economy. My Government are continuing to make repeated efforts to see that the officers and men are continued in Military service as far as possible. And in the event of it being ultimately impossible for the Government of India to so retain them, they have been pressed to give alternative employment and adequate mustering out concessions. Along with these efforts, a scheme of rehabilitation of ex-servicemen to be financed by the Centre has been drawn up and sent to the Government of India, the details of which are now being worked out. Action has also been taken to reserve vacancies in the Civil Departments of this Government to provide suitable places to the ex-servicemen to the extent possible. My Government have been taking all possible steps to safeguard the interests of the soldiers who were part of the Mysore State Troops in the past.

INDUSTRIES.

The requirements of the State for financing the industrial projects proposed to be taken up in accordance with the plans submitted to the Planning Commission work out to Rs.21 crores over a period of 15 years. The implementation of these schemes is, of course, dependent on the availability of adequate funds. In the meanwhile, my Government have been exploring ways and means for developing on a modest scale such of our industries as have an assured market or are of vital importance to our national economy. Plans for the expansion of the Government Soap Factory, the Silk Weaving Factory, the Central Industrial Workshop, and for the

setting up of a Ceramic Factory, Fruit Canning Factory and a Druggest Processing Centre ~~as also~~ a scheme for the ~~manufacture of~~ energy meters are at present receiving attention.

My Government are trying to improve our cottage industries by the introduction of the Japanese Cottage Industry machinery which is expected not only to increase efficiency and productivity but also to result in standardised production which can count on a ready sale.

SELECT COMMITTEE REPORTS.

Select Committee Reports in respect of the following Bills are ready and will be ~~place~~ placed before the House during the present Session.

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4. The Mysore Rown Municipalities Bill, 1951.
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6. The Mysore State A-id to Industries Bill, 1951.

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3. The ~~City~~ of Bangalore Improvement (Amendment) Bill, 1951.

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5. 12. The Mysore Inam Villages (Abolition of Inam Tenure) Bill, 1951.

6. 13. The Mysore Tenancy Bill, 1951.

7 14. The Mysore Legislative Assembly (Prevention of Disqualification) Bill, 1951.

I now leave you to the business awaiting your consideration.

Address delivered by His Highness the

Rajpramukh of Mysore to the Mysore Legislative

Assembly on 26th March 1951.

.....

Hon'ble Members of the Legislative Assembly,

I am glad of the opportunity to address you again as required by the Constitution at the commencement of another of your Session. I should like, at the outset to touch on one or two topics of general interest which have an intimate, inevitable bearing on our affairs.

At the present moment, the problem of practically every Government in India seems to be this; how to deal with the increase in prices of commodities generally and of foodstuffs in particular; how to maintain the subsidies regarding food grains even at the present levels; and how to attain self-sufficiency in food before the year is out.

GENERAL ECONOMIC SITUATION: It is now common knowledge that at present the world is, economically and politically out of gear. With almost every country in the world making feverish preparations for war, there seems to be at the moment, little or no possibility of a fall in prices in the conceivable future. The uncertainties of the international situation are naturally having their reactions on our national economy and generally speaking, world conditions are still too disturbed to allow of any improvement in our own case. Food and cloth, the two primary needs of the people, continue to remain in short supply and price levels are not only unstable but even puzzling. In these circumstances, a great deal - almost every thing seems to depend upon the success which attains the Government's plans to achieve self-sufficiency by the end of the year. This is, therefore, no time for complacency. Renewed and ceaseless efforts are necessary. Increased production and maximum procurement are our only remedies for the situation. It is a matter for no small gratification therefore, in this context, that there has been agreement reached between ourselves and our neighbour regarding lifting of the trade barriers. Let us hope that the other points of difference would also get resolved speedily to our mutual satisfaction.

This Session has been summoned, primarily, to seek your sanction to the annual financial statement which my Government will lay before you.

BUDGET ESTIMATES: The first thing that you will notice is the change in the pattern of the budget estimates. New nomenclatures have been adopted and a new system of accounting and classification followed to suit the requirements necessitated by federal financial integration. The detailed heads of classification have still to be rationalised and this will be done gradually as it is not desirable to introduce too many changes at one stage.

The estimates will doubtless be subjected to your searching ~~security~~ scrutiny when the Finance Minister presents the budget before you. But I may say in advance that my Government may fairly claim that the financial position of the State is intrinsically sound. It would ~~before~~ be far wide of the mark to say that we are merely or largely drifting. On the contrary, we are not departing from well-recognised principles of public finance and at the same time boldly facing difficulties. The estimates have been prepared with all care to stand your scrutiny and I need not remind you that you have to take your full share of responsibility for according legislative sanction; for, every estimate is passed only under your mandate and by your vote. My Government's policy for economic development is intended first and foremost, to conform in as large a measure as circumstances warrant, to the "Directive Principles of State Policy" contained in the Constitution which "are fundamental in the governance of the country", and I have no doubt that your discussions will be directed to shape our policy accordingly.

As regards the provisions made in the estimates under the various heads, it is not for one moment, claimed that they are sufficient by themselves or are commensurate with our vast and varied needs. But, with our limited resources, in comparison with our needs, my Government have made the maximum provisions possible, and reduce the deficit to manageable proportions. The Finance Ministry is doing all it can to check avoidable or unnecessary expenditure, and to reduce the deficit further. Though it has not been possible to accept or give effect to all of the Economy Officer's recommendations and obtain the full value of the economies proposed by him, in preparing the estimates for the coming year, retrenchment has been effected wherever feasible. There is perhaps scope for further retrenchment, but for obvious reasons, reductions cannot all be made at once.

As you are aware the revenue gap fixed at Rs.345 lakhs according to the Scheme of Federal Financial Integration will be made good to us in full for the first five years from 1st April 1950, and for the next five years it would diminish each year by one fifth; at the end of ten years it would vanish, and it therefore behoves us from now on, to think of measures to make good this loss by other means. It is well to take note that the first year is already closing.

However, the fact that the budget on the Revenue account has not been balanced this year need not alarm us. This is often a feature of a welfare budget. The traditional attitude towards the budget, aiming at a surplus and avoiding a deficit at all costs, looking upon a deficit budget with some what of a superstitious fear is rather out of date, and, with the growing demand for social services, it may not be an unorthodox financial practice to budget for expenditure on schemes of education, public works, rural reconstruction, which require a long period for execution, for a period longer than a year.

~~I N D U S T R I E S~~. I shall now proceed to deal with some aspects of particular departments

Industries. The requirements of the State for financing the industrial projects proposed to be taken up in accordance with the plans submitted to the Planning Commission work out to Rs. 21 crores over a period of 15 years. The implementation of these schemes is, of course, dependent on the availability of adequate funds. In the meanwhile, my Government have been exploring ways and means for developing on a modest scale such of our industries as have an assured market or are of vital importance to our national economy. Plans for the expansion of the Government Soap Factory, the Silk Weaving Factory, the Central Industrial Workshop, and for the setting up of a Ceramic Factory, Fruit Canning Factory, a Drugget Processing Centre as also a scheme for the manufacture of energy meters are at present receiving attention.

INDUSTRIES.

The attempts of my Government to improve our cottage industries by the introduction of Japanese Cottage Industry machinery, will, I feel sure, commend themselves to you; not only will they increase efficiency and productivity but also result in standardised production which can count on a ready sale.

INDUSTRIES.

In regard to our scheme of rural industrialisation, it is pleasing to note that its originator Dr. M. Visvesvaraya has accepted the Chairmanship of the Committee operating the plan. I feel that under his inspiring leadership the attempts of my Government in this behalf are assured success.

MILITARY. As you are aware, the ~~I.S.P.~~ Indian State Forces Units were handed over to the Centre on 1st April 1950. The hope that all the personnel would be absorbed into the Indian Army has unfortunately not been ~~fulfilled~~ fulfilled due to a variety of reasons. The Government of India themselves have embarked upon a scheme of reducing the Defence Forces in order to effect economy. My Government are continuing to make repeated efforts to see that the officers and men are continued in Military service as far as possible. And in the event of it being ultimately impossible for the Government of India to so retain them, they have been pressed to give alternative employment and adequate mustering out concessions. Along with these efforts, a scheme of rehabilitation of ex-servicemen to be financed by the Centre has been drawn up and sent to the Government of India, the details of which are now being worked out. Action has also been taken to reserve vacancies in the Civil Departments of this Government to provide suitable places to the ex-servicemen to the extent possible. My Government have been taking all possible steps to safeguard the interests of the soldiers who were part of the Mysore State Troops in the past.

MUNICIPALITIES: I referred in my previous address to the reports of certain Committees, under consideration of my Government. They have undertaken the necessary legislation to implement the recommendation of the Committee constituted for examining the questions relating to the improvements of the working of the Town and Minor Municipalities in the State. As a corrollary to the re-orientation of the Town and Minor Municipalities Act which in essence purports to provide for elections to be held on the basis of adult franchise, the terms of the Municipal Councils which were due to expire have been extended up to June 1951 and future elections to the Municipal Councils will be held on the new basis which definitely marks a step ahead in the progress of Municipal administration.

LEGISLATIVE BUSINESS: My Government propose to place the following legislative business before you during this Session of the Legislative Assembly.

I now leave you to the business awaiting your consideration.

Address delivered by His Highness the Rajpramukh of Mysore to the Mysore Legislative Assembly on 15th March 1951.

*****

Hon'ble Members of the Legislative Assembly,

I am glad of the opportunity to address you again, as required by the Constitution, at the commencement of another of your Sessions. I should like, at the outset, to touch on one or two topics of general interest which have an intimate, bearing on our affairs.

Before doing so, my Government wish to place on record their deep sense of loss caused by the sad demise of two veteran officers connected with the State, namely Shri K.Matthan and Dr.C.R.Reddy. By their death, my Government have been deprived of much valuable advice and assistance ~~which they were receiving from them~~.

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I now leave you to the business awaiting your consideration.

ADDRESS DELIVERED TO THE LEGISLATIVE ASSEMBLY BY THE RAJPRAMUKH, HIS HIGHNESS THE MAHARAJA OF MYSORE.

Thursday, 15th March 1951.

HON'BLE MEMBERS OF THE LEGISLATIVE ASSEMBLY,

I AM glad of the opportunity to address you again, as required by the Constitution, at the commencement of another of your Sessions. I should like, at the outset, to touch on one or two topics of general interest which have an intimate bearing on our affairs.

Before doing so, my Government wish to place on record their deep sense of loss caused by the sad demise of two veteran officers connected with the State, namely, Shri K. Matthan and Dr. C. R. Reddy.

Shri K. Matthan served in many capacities and was a member of the Government for several years and rendered yeoman service to the State. His rich experience of men and matters is no more available to us.

Dr. C. R. Reddy was intimately connected with educational advancement in the State and was the Pro-Chancellor of the Mysore University and Educational Adviser at the time of his passing away. His outstanding achievements in several spheres of national life in general and the educational world in particular will remain green in our memory. In his death we have lost a brilliant personality of rare intellectual eminence.

General Economic Situation.

It is now common knowledge that at present the world is, economically and politically, out of gear. With almost every country in the world making preparations for war, there seems to be, at the moment, little or no possibility of a fall in prices in the conceivable future. The uncertainties of the international situation are naturally having their reactions on our national economy and generally speaking, world conditions are still too disturbed to allow of any improvement in our own case. Food and cloth, the two primary needs of the people, continue to remain in short supply and price levels are not only unstable but even puzzling. In these circumstances, a great deal—almost everything—seems to depend upon the success which attains the Government's plans to achieve self-sufficiency as early as possible. This is, therefore, no time for complacency. Renewed and ceaseless efforts are necessary. Increased production is the main remedy for the situation. It is a matter for no small gratification therefore, in this

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1st April 1950, and thereafter the guaranteed amount would be gradually reduced under a tapering arrangement to 60 per cent of the net revenue gap in the tenth year.

My Government wish to recapitulate on this occasion how the above guarantee would be implemented by the Government of India. Under the arrangements agreed to, the Government of India will pay to my Government their share of divisible income-tax (and of all other divisible Federal Taxes such as they may be from time to time) computed in the same manner, on the same basis and in accordance with the same principles as are applicable to the other Part A States, and, to the extent the amount payable under this arrangement falls short of the guaranteed amount in any year the Government of India will pay to my Government an amount equal to the short-fall as a special *ad hoc* Grant-in-aid in that year. On the other hand in any year in which the amount payable under this arrangement does not fall short of the guaranteed amount, my Government will receive the amount due in the shape of their share of the divisible taxes and the guarantee will be inoperative for that year.

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I shall now proceed to deal with some aspects of particular departments.

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Indian Administrative and Police Services. The Special Recruitment Board set up by the Ministry of Home Affairs, Government of India, are engaged at the moment in interviewing officers of the Mysore Civil and Police Service for purposes of selection to the I.A.S. and I.P.S. My Government propose to take up the issues arising out of the selections after the results are known and expect to take whatever steps are necessary to safeguard the legitimate rights and interests of the officers of the Mysore Service and to make satisfactory arrangements for the transitional period.

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I now leave you to the business awaiting your consideration.

Printed by the Director of Printing, Stationery and Publications at the Government Press, Bangalore.

Address delivered by His Highness the Rajpramukh of Mysore to the Mysore Legislative Assembly on 15th March 1951.

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Hon'ble Members of the Legislative Assembly,

I am glad of the opportunity to address you again as required by the Constitution at the commencement of another of your Session. I should like, at the outset to touch on one or two topics of general interest which have an intimate, inevitable bearing on our affairs.

At the present moment, the problem of practically every Government in India seems to be this; how to deal with the increase in prices of commodities generally and of foodstuffs in particular; how to maintain the subsidies regarding food grains even at the present levels; and how to attain self-sufficiency in food before the year is out.

GENERAL ECONOMIC SITUATION: It is now common knowledge that at present the world is, economically and politically out of gear. With almost every country in the world making feverish preparations for war, there seems to be at the moment, little or no possibility of a fall in prices in the conceivable future. The uncertainties of the international situation are naturally having their reactions on our national economy and generally speaking, world conditions are still too disturbed to allow of any improvement in our own case. Food and cloth, the two primary needs of the people, continue to remain in short supply and price levels are not only unstable but even puzzling. In these circumstances, a great deal - almost every thing seems to depend upon the success which attains the Government's plans to achieve self-sufficiency by the end of the year. This is, therefore, no time for complacency. Renewed and ceaseless efforts are necessary. Increased production and maximum procurement are our only remedies for the situation. It is a matter for no small gratification therefore, in this context, that there has been agreement reached between ourselves and our neighbour regarding lifting of the trade barriers. Let us hope that the other points of difference would also get resolved speedily to our mutual satisfaction.

This Session has been summoned, primarily, to seek your sanction to the annual financial statement which my Government will lay before you.

BUDGET ESTIMATES: The first thing that you will notice is the change in the pattern of the budget estimates. New nomenclatures have been adopted and a new system of accounting and classification followed to suit the requirements necessitated by federal financial integration. The detailed heads of classification have still to be rationalised and this will be done gradually as it is not desirable to introduce too many changes at one stage.

The estimates will doubtless be subjected to your searching ~~security~~ scrutiny when the Finance Minister presents the budget before you. But I may say in advance that my Government may fairly claim that the financial position of the State is intrinsically sound. It would ~~before~~ be far wide of the mark to say that we are merely or largely drifting. On the contrary, we are not departing from well-recognised principles of public finance and at the same time boldly facing difficulties. The estimates have been prepared with all care to stand your scrutiny and I need not remind you that you have to take your full share of responsibility for according legislative sanction; for, every estimate is passed only under your mandate and by your vote. My Government's policy for economic development is intended first and foremost, to conform in as large a measure as circumstances warrant, to the "Directive Principles of State Policy" contained in the Constitution which "are fundamental in the governance of the country", and I have no doubt that your discussions will be directed to shape our policy accordingly.

As regards the provisions made in the estimates under the various heads, it is not for one moment, claimed that they are sufficient by themselves or are commensurate with our vast and varied needs. But, with our limited resources, in comparison with our needs, my Government have made the maximum provisions possible, and reduce the deficit to manageable proportions. The Finance Ministry is doing all it can to check avoidable or unnecessary expenditure, and to reduce the deficit further. Though it has not been possible to accept or give effect to all of the Economy Officer's recommendations and obtain the full value of the economies proposed by him, in preparing the estimates for the coming year, retrenchment has been effected wherever feasible. There is perhaps scope for further retrenchment, but for obvious reasons, reductions cannot all be made at once.

As you are aware the revenue gap fixed at Rs.345 lakhs according to the Scheme of Federal Financial Integration will be made good to us in full for the first five years from 1st April 1950, and for the next five years it would diminish each year by one fifth; at the end of ten years it would vanish, and it therefore behoves us from now on, to think of measures to make good this loss by other means. It is well to take note that the first year is already closing.

However, the fact that the budget on the Revenue account has not been balanced this year need not alarm us. This is often a feature of a welfare budget. The traditional attitude towards the budget, aiming at a surplus and avoiding a deficit at all costs, looking upon a deficit budget with some what of a superstitious fear is rather out of date, and, with the growing demand for social services, it may not be an unorthodox financial practice to budget for expenditure on schemes of education, public works, rural reconstruction, which require a long period for execution, for a period longer than a year.

~~I N D U S T R I E S~~. I shall now proceed to deal with some aspects of particular departments

Industries. The requirements of the State for financing the industrial projects proposed to be taken up in accordance with the plans submitted to the Planning Commission work out to Rs. 21 crores over a period of 15 years. The implementation of these schemes is, of course, dependent on the availability of adequate funds. In the meanwhile, my Government have been exploring ways and means for developing on a modest scale such of our industries as have an assured market or are of vital importance to our national economy. Plans for the expansion of the Government Soap Factory, the Silk Weaving Factory, the Central Industrial Workshop, and for the setting up of a Ceramic Factory, Fruit Canning Factory, a Drugget Processing Centre as also a scheme for the manufacture of energy meters are at present receiving attention.

'INDUSTRIES.

The attempts of my Government to improve our cottage industries by the introduction of Japanese Cottage Industry machinery, will, I feel sure, commend themselves to you; not only will they increase efficiency and productivity but also result in standardised production which can count on a ready sale.

INDUSTRIES.

In regard to our scheme of rural industrialisation, it is pleasing to note that its originator Dr. M. Visvesvaraya has accepted the Chairmanship of the Committee operating the plan. I feel that under his inspiring leadership the attempts of my Government in this behalf are assured success.

MILITARY. As you are aware, the ~~I.S.F.~~ Indian State Forces Units were handed over to the Centre on 1st April 1950. The hope that all the personnel would be absorbed into the Indian Army has unfortunately not been ~~fu~~k fulfilled due to a variety of reasons. The Government of India themselves have embarked upon a scheme of reducing the Defence Forces in order to effect economy. My Government are continuing to make repeated efforts to see that the officers and men are continued in Military service as far as possible. And in the event of it being ultimately impossible for the Government of India to so retain them, they have been pressed to give alternative employment and adequate mustering out concessions. Along with these efforts, a scheme of rehabilitation of ex-servicemen to be financed by the Centre has been drawn up and sent to the Government of India, the details of which are now being worked out. Action has also been taken to reserve vacancies in the Civil Departments of this Government to provide suitable places to the ex-servicemen to the extent possible. My Government have been taking all possible steps to safeguard the interests of the soldiers who were part of the Mysore State Troops in the past.

MUNICIPALITIES: I referred in my previous address to the reports of certain Committees, under consideration of my Government. They have undertaken the necessary legislation to implement the recommendation of the Committee constituted for examining the questions relating to the improvements of the working of the Town and Minor Municipalities in the State. As a corrollary to the re-orientation of the Town and Minor Municipalities Act which in essence purports to provide for elections to be held on the basis of adult franchise, the terms of the Municipal Councils which were due to expire have been extended up to June 1951 and future elections to the Municipal Councils will be held on the new basis which definitely marks a step ahead in the progress of Municipal administration.

LEGISLATIVE BUSINESS: My Government propose to place the following legislative business before you during this Session of the Legislative Assembly.

I now leave you to the business awaiting your consideration.

ADDRESS DELIVERED TO THE LEGISLATIVE ASSEMBLY BY THE RAJPRAMUKH, HIS HIGHNESS THE MAHARAJA OF MYSORE.

Thursday, 15th March 1951.

HON'BLE MEMBERS OF THE LEGISLATIVE ASSEMBLY,

I AM glad of the opportunity to address you again, as required by the Constitution, at the commencement of another of your Sessions. I should like, at the outset, to touch on one or two topics of general interest which have an intimate bearing on our affairs.

Before doing so, my Government wish to place on record their deep sense of loss caused by the sad demise of two veteran officers connected with the State, namely, Shri K. Matthan and Dr. C. R. Reddy.

Shri K. Matthan served in many capacities and was a member of the Government for several years and rendered yeoman service to the State. His rich experience of men and matters is no more available to us.

Dr. C. R. Reddy was intimately connected with educational advancement in the State and was the Pro-Chancellor of the Mysore University and Educational Adviser at the time of his passing away. His outstanding achievements in several spheres of national life in general and the educational world in particular will remain green in our memory. In his death we have lost a brilliant personality of rare intellectual eminence.

General Economic Situation.

It is now common knowledge that at present the world is, economically and politically, out of gear. With almost every country in the world making preparations for war, there seems to be, at the moment, little or no possibility of a fall in prices in the conceivable future. The uncertainties of the international situation are naturally having their reactions on our national economy and generally speaking, world conditions are still too disturbed to allow of any improvement in our own case. Food and cloth, the two primary needs of the people, continue to remain in short supply and price levels are not only unstable but even puzzling. In these circumstances, a great deal—almost everything—seems to depend upon the success which attains the Government's plans to achieve self-sufficiency as early as possible. This is, therefore, no time for complacency. Renewed and ceaseless efforts are necessary. Increased production is the main remedy for the situation. It is a matter for no small gratification therefore, in this

context, that there has been agreement reached between India and Pakistan regarding lifting of the trade barriers. Let us hope that the other points of difference would also get resolved speedily to our mutual satisfaction.

This Session has been summoned, primarily, to seek your sanction to the annual financial statement which my Government will lay before you.

Budget Estimates.

The first thing that you will notice is the change in the pattern of the Budget estimates. New nomenclatures have had to be adopted and a new system of accounting and classification followed to suit the requirements necessitated by Federal Financial Integration. The detailed heads of classification would have still to be rationalised and this will be done gradually as it is not desirable to introduce too many changes at one stage.

The estimates will doubtless be subjected to your scrutiny when the Finance Minister presents the Budget before you. But I may say in advance that my Government feel satisfied that the financial position of the State is intrinsically sound and that while not departing from well-recognised principles of public finance, they are at the same time boldly facing difficulties. My Government's policy for economic development is intended first and foremost, to conform in as large a measure as circumstances warrant, to the "Directive Principles of State Policy" contained in the Constitution which "are fundamental in the governance of the country," and I have no doubt that your discussions will be directed to shape my Government's policy accordingly.

Financial Adjustments.

As you are aware, the revenue gap fixed at Rs. 345 lakhs according to the Scheme of Federal Financial Integration will be made good to us in full for the first five years from

1st April 1950, and thereafter the guaranteed amount would be gradually reduced under a tapering arrangement to 60 per cent of the net revenue gap in the tenth year.

My Government wish to recapitulate on this occasion how the above guarantee would be implemented by the Government of India. Under the arrangements agreed to, the Government of India will pay to my Government their share of divisible income-tax (and of all other divisible Federal Taxes such as they may be from time to time) computed in the same manner, on the same basis and in accordance with the same principles as are applicable to the other Part A States, and, to the extent the amount payable under this arrangement falls short of the guaranteed amount in any year the Government of India will pay to my Government an amount equal to the short-fall as a special *ad hoc* Grant-in-aid in that year. On the other hand in any year in which the amount payable under this arrangement does not fall short of the guaranteed amount, my Government will receive the amount due in the shape of their share of the divisible taxes and the guarantee will be inoperative for that year.

Under the Financial Integration Agreement the Government of India's guarantee will be for a period of ten years but as you are aware, there is a provision in the Constitution for an Enquiry by the Finance Commission who would make their recommendations in this behalf. My Government are carefully examining how the scheme will affect the State's finances in the next few years and what steps are necessary to avoid any sudden disturbance or dislocation of the State's economy.

I shall now proceed to deal with some aspects of particular departments.

Census. Census operations have been completed all over the State and my Government are satisfied from reports received by them that the operations have been carried out smoothly and satisfactorily. The results are under tabulation and my Government feel that the figures that may be revealed by the census may have far-reaching effects on their policies in the various fields generally and on their food policy more particularly.

Indian Administrative and Police Services. The Special Recruitment Board set up by the Ministry of Home Affairs, Government of India, are engaged at the moment in interviewing officers of the Mysore Civil and Police Service for purposes of selection to the I.A.S. and I.P.S. My Government propose to take up the issues arising out of the selections after the results are known and expect to take whatever steps are necessary to safeguard the legitimate rights and interests of the officers of the Mysore Service and to make satisfactory arrangements for the transitional period.

Military. As you are aware, the Indian State Forces Units were handed over to the Centre on 1st April 1950. The hope that all the personnel would be absorbed into the Indian Army has unfortunately not been fulfilled due to several reasons. The Government of India themselves have embarked upon a scheme of

reducing the Defence Forces in order to effect economy. My Government are continuing to make repeated efforts to see that the officers and men are continued in Military service as far as possible. And in the event of it being ultimately impossible for the Government of India to so retain them, they have been pressed to give alternative employment and adequate mustering out concessions. Along with these efforts, a scheme of rehabilitation of ex-servicemen to be financed by the Centre has been drawn up and sent to the Government of India, the details of which are now being worked out. Action has also been taken to reserve vacancies in the Civil Departments of this Government to provide suitable places to the ex-servicemen to the extent possible. My Government have been taking all possible steps to safeguard the interests of the soldiers who were part of the Mysore State Troops in the past.

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